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Evaluation

Evaluation of UNDP contribution at the regional level to development and corporate results

Executive summary

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I. Introduction

1. The present evaluation of the work and contribution of the United Nations Development Programme at the regional level covers both UNDP regional programmes and the relevant UNDP institutional arrangements, especially the work of the regional service centres. The evaluation was part of the 2009-2010 programme of work of the UNDP Evaluation Office approved by the UNDP Executive Board and was conducted from February to October 2010. The report provides an historical context, with a focus on the period from 2000 to mid-2010.

2. In an ever-more interconnected and interdependent world, countries face challenges and opportunities many of which transcend national borders and are shared by others. New regional and subregional groupings have emerged and devised collective solutions to challenges. In addition to covering areas such as climate change, economic development, and trade and investment, regional entities are also engaged in a wide range of complex issues, such as peace, security and governance.

3. Since its inception, UNDP has responded to this changing environment and provided technical cooperation at the regional level. It has engaged in a variety of ways, including establishing long-lasting partnerships with regional organizations. UNDP has made contributions ranging from support to the secretariat of the Association of Southeast Asian Nations (ASEAN) to initiating the path-breaking Arab Human Development Reports.

4. UNDP is structured along regional lines with five regional bureaux managing multi-year regional programmes to contribute to development results. UNDP has also established a regional presence, most recently through regional service centres, to support corporate goals for providing technical advice to its 138 country offices, promoting knowledge management and facilitating coordination with other United Nations organizations at the regional level.

5. Assessing the regional dimension of the UNDP work and contribution is thus timely. The present evaluation, conducted by the UNDP Evaluation Office, looks at UNDP regional work and assesses its contributions to development and corporate results. It provides findings, conclusions and recommendations for consideration by senior management and the Executive Board of UNDP.

6. The objective of the evaluation is to assess the extent to which UNDP regional programming and presence contributed to the achievement of the UNDP strategic objectives set out in the strategic plan 2008-2013. The scope of the evaluation includes UNDP regional programmes and the relevant institutional arrangements, especially the work of the regional service centres. More specifically, the evaluation covered UNDP efforts to directly contribute to both development and corporate results.

7. With respect to development results, UNDP sought to directly support national and regional development efforts in two broad areas: first, interventions that facilitate and strengthen cross-border initiatives on a range of issues relating, for instance, to natural resources management, climate change, trade or migration, interventions that often enable the development of regional initiatives or "regional public goods" in a number of areas; secondly, interventions that provide direct and often simultaneous assistance, usually on common issues, to a number of

programme countries within a region or subregion. These interventions, termed here as "multi-country", contribute to national development results but are designed to be more effective than individual country efforts by adding a networking component to the intervention.

8. With respect to corporate results, UNDP sought to strengthen its own capacity to support regional and national development partners through a stronger regional presence. This was intended to indirectly contribute to development results by providing technical support to country offices, promoting practice architecture and knowledge management, supporting United Nations coordination and partnerships, and strengthening corporate strategic positioning.

9. A major challenge in conducting the evaluation concerned tracing causalities and establishing plausible contributions of UNDP at the regional level to the achievement of development results since results frameworks were weak. The poor quality of data on regional programmes available within the UNDP corporate enterprise resource planning system (Atlas) hampered the work of the evaluation. Measuring the efficiency of UNDP regional efforts has also proved to be a challenge. The inputs associated with the set-up and operations of the regional service centres could not be comprehensively collated over time. This information is not centrally available nor is it easily captured. Atlas was designed to track operational and financial activities at the country and global levels but not at the regional level. The information on human resources is inaccurately reflected in UNDP reports. This is in part due to staff in regional service centres being funded from a variety of sources such as the regional programme, global programme and other resources.

10. The evaluation methodology was designed to overcome the above challenges to the extent possible. The evaluation used both qualitative and quantitative data but given the above-mentioned limitations the nature of the evaluation is predominantly qualitative. Data was collected using a combination of methods and from a variety of sources, allowing triangulation and validation of the evidence. Methods included: (a) structured and semi-structured interviews, including over 100 at headquarters; (b) structured survey, distributed to all country offices, with a response rate of 89 per cent; (c) review of previous independent evaluations; and (d) document review.

11. The assessment of UNDP performance was made according to the following evaluation criteria: (a) relevance, which concerns the extent to which UNDP programming is consistent with national and regional priorities and development needs, is aligned to the UNDP mandate, and addresses the corporate needs of country offices and headquarters; (b) effectiveness, which concerns the extent to which UNDP contributes to development or corporate results; (c) sustainability, which refers to the likelihood of the benefits of regional cooperation to be continued over time; and (d) efficiency, which examines how inputs are converted into results.

II. United Nations and UNDP response to regional cooperation

12. Successive resolutions of the General Assembly since 1946 reflect the recognition by Members of the United Nations of the importance of the regional dimension for economic and social development. The Economic and Social Council established the first two United Nations regional commissions as early as 1947.

Over time, three additional regional commissions were established and as they evolved, their work expanded.

13. UNDP was established by the General Assembly in 1965 with the consolidation of the Special Fund and the Expanded Programme of Technical Assistance and began operations on 1 January 1966. The Consensus Resolution of 1970 created regional bureaux at headquarters to manage regional programmes and projects. In 1970 the UNDP Governing Council established the multi-year resource framework for UNDP programming with the use of indicative planning figures which were based on entitlement to a fixed allocation, explicitly providing for support to groups of countries on a subregional, regional, interregional and global basis in addition to individual countries. In 1971 the Governing Council determined a ratio of approximately 5:1 between country and intercountry resource targets.

14. Many United Nations development agencies have a regional presence. Currently, some 30 United Nations funds, programmes and specialized agencies work at the regional level. UNICEF has seven subregional offices. UNFPA expanded the functions of existing country technical services teams in 2007, in order to establish regional and subregional offices, and to strengthen existing area offices. In all agencies except UNDP, the regional director is located in the region. Although the 2005 General Assembly resolution on the triennial comprehensive policy review requires United Nations funds, programmes and specialized agencies to align regional technical support structures and regional coverage, this has not been achieved.

15. The Economic and Social Council in its resolution 1998/46 mandated the regional commissions to hold regular inter-agency meetings in order to improve coordination among United Nations organizations. Since 1999, regional commissions have convened meetings of the regional coordination mechanism to cover regional policy and programming issues. The regional directors teams, chaired by UNDP regional directors, were created in 2005 to support United Nations country teams through quality assurance of United Nations Development Assistance Frameworks (UNDAF), performance assessment of resident coordinators, and dispute resolution.

Regional programming

16. In line with the increasing focus placed by the United Nations on regional approaches to development, UNDP was implementing programmes to promote regional cooperation as early as the 1960s. The Consensus Resolution of 1970 underlined that subregional, regional, interregional and global projects would be initiated at the request of at least two Governments. These projects were identified through consultative mechanisms ensuring alignment with national priorities and ownership of these regional interventions.

17. The emphasis of the early UNDP regional programmes was regional integration. There were initiatives to promote the economic integration of the countries in Central America. Support was also provided to the ASEAN Secretariat since the early days of its existence and to the Secretariat of the Mekong River Commission. South-South cooperation has been a priority for UNDP since the early 1970s and has been pursued in all its programmes.

18. UNDP has fostered regional dialogue and learning on governance in electoral reform, anti-corruption, accountability and transparency, human rights for development and enhancing the role of the media. Examples include the PARAGON project in Asia and the Pacific, the Anti-Corruption and Integrity Network project in the Arab States and support to establishing the Regional Centre for Public Administration Reform in the Europe and the Commonwealth of Independent States region.

19. Regional programmes have supported countries and regions to prevent and recover from armed conflicts and natural disasters. In the Pacific region, UNDP addressed security issues through capacity-building of law enforcement agencies. In Africa, the regional programme assisted the establishment of national commissions and training of border security for enhanced border control in the countries of the Economic Community of West African States.

20. UNDP regional programmes have targeted critical development challenges regarding the sustainable management of natural resources, with a special focus on water management. In the Arab States, the programme funded intergovernmental dialogue and subsequent technical work that have led to drafting the Nile River Basin Cooperative Framework. The dialogue made future negotiations feasible and opened up opportunities for external funding of regional and subregional development projects in the Basin.

21. An example of UNDP contributions to regional public goods is the production of regional Human Development Reports since 1994. These reports measure human progress and trigger action for change, through region-specific human development approaches to addressing deprivation and promoting well-being. To date, close to 40 regional Human Development Reports have been issued.

22. Most of the UNDP regional projects are in fact subregional in nature. In Latin America and the Caribbean, regional programme resources are allocated to its subregions based on the Executive Board-approved percentage shares (approximately 40 per cent to the Caribbean and the remaining to the Latin America subregion). UNDP has a specific partnership model in the Caribbean, implementing its core regional programme through two regional organizations, the Organization of Eastern Caribbean States and the Caribbean Community.

23. The regional programmes of UNDP since 2000 have been designed around UNDP focus areas of poverty reduction, democratic governance, environment and energy and crisis prevention and recovery. Recent evaluations conducted by the Evaluation Office of the regional programmes pointed out that the regional programmes were spread too thinly and should enhance their focus.

24. Since their origin, the multi-year intercountry programmes for each region were approved by the Governing Council and managed by regional bureaux, originally four, currently five. In 1997 UNDP replaced the intercountry programme with the regional cooperation framework (RCF), which in turn was replaced by the regional programme that continues to be approved by the Executive Board.

25. UNDP engagement at the regional level was managed until the 1990s by the headquarters regional bureaux and the resident representatives, who served as principal project resident representative, located in the region, to be responsible for project implementation, including coordination with other country offices and national and regional partners.

26. In the mid-1990s the indicative planning figure system of resource allocation was replaced with a three-tier target for resource assignments from the core resources (TRAC 1, 2 and 3) for country programmes combining the previous entitlement approach with performance criteria. However, for the regional and global programmes the entitlement approach was maintained. Current programming arrangements of UNDP approved by the Executive Board allocate 9 per cent of the total of regular resources for country, regional and global programmes to regional programmes. Of the 9 per cent, 90 per cent is distributed among the five regional bureaux in proportion to the TRAC 1 allocation that the countries in a region receive. The remaining 10 per cent is equally divided among the regional programmes of the Arab States, Latin America and the Caribbean and the Europe and Commonwealth of Independent States.

27. Total regional programming resources do not represent a significant share of UNDP programme expenditures globally, with regional programme expenditures accounting for 2.3 per cent and 2.2 per cent of total UNDP programming expenditures in 2008 and 2009, respectively. In terms of expenditure of regular resources, however, regional programme expenditures accounted for 6.3 per cent and 5.9 per cent in 2008 and 2009, respectively. Resource mobilization in UNDP regional programmes has not kept pace with UNDP as a whole.

28. The first and second multi-year funding framework (2000-2003 and 2004-2007, respectively) and the strategic plan (2008-2013) have continued to emphasize the importance of regional programmes. However, the cycles of the five regional programmes were not harmonized with each other or the corporate planning cycle. The current regional programmes are being extended or adjusted to end with the current strategic plan.

Regional presence

29. Two UNDP regional bureaux decided to decentralize substantive support and operational decision-making by establishing a regional presence. In Asia and the Pacific, subregional resource facilities (SURFs) were established first in Islamabad in 1996 and then in Bangkok and were funded from the regional programme. Their purpose was to add value to the work of UNDP country offices by providing technical advice and by networking with experts in the region.

30. In Europe and the CIS a centre was established in Bratislava in the mid-1990s to address issues related to the establishment of a new bureau and country offices. UNDP had expanded its programme to the transition countries in the region and the Bratislava centre managed the programme in countries that had no resident offices. In addition, the centre managed all regional programmes.

31. By virtue of being located at the subregional level, the SURFs were expected to be in a better position to network with regional institutions and centres of excellence to identify and mobilize technical expertise with specific knowledge of the region. The structure was not meant to be another layer between the country office and UNDP headquarters.

32. The SURF system was established from the UNDP core administrative budget, regional bureau resources and extrabudgetary resources. Drawing from the initial experience of the Regional Bureau for Asia and the Pacific and the Regional Bureau

for Europe and the Commonwealth of Independent States, corporate encouragement was given to other bureaux to develop strategies to establish SURFs, and their approaches differed.

33. In the initial phase, there was an intention to establish 17 SURFs to provide referrals and technical backstopping on a broad range of human development (multi-thematic) issues for subregional clients. Not all of them were established or continued. By July 2000, when the independent evaluation of the SURF system was conducted, there were nine SURFs operating in Addis Ababa, Bangkok, Islamabad, Beijing, Suva, Beirut, Bratislava, Harare and Port of Spain.

34. In the early 2000s, UNDP introduced practice architecture to strengthen knowledge-sharing to make UNDP a more effective development partner. The practice areas were to be coordinated and guided by central policy bureaux: the Bureau for Development Policy (BDP) for poverty, environment and energy, democratic governance, and HIV/AIDS; and the Bureau for Crisis Prevention and Recovery (BCPR) for crisis prevention and recovery. These bureaux were also made responsible for corporate knowledge management. The SURFs were a critical part of the practice and knowledge architecture. From 2001, technical expertise in the SURFs was funded from the Global Cooperation Framework (GCF), managed by BDP and the SURFs no longer solely reported to the regional bureaux. BDP-funded policy specialists based in SURFs had dual reporting lines to the respective regional bureau and BDP. Tensions arose from mixed funding mechanisms and multiple lines of accountability.

35. The establishment of the SURFs coincided with the reduction of the capacity of country offices owing to budgetary constraints. In the early 2000s, all UNDP country offices faced a 15 per cent cut in operational costs. As a result, requests to the SURFs ranged from policy advice at one end to support to country office operations at the other.

36. From the mid-2000s, UNDP developed regional service centres in each region, which built on the experience of the SURFs while adding new functions and management arrangements. These service centres combined technical support to country offices and networking and knowledge management within the practice architecture with a role in the management of the regional programmes. This transformation has been a work in progress and played out differently in the five regions as a result of existing variations in the SURF structure and management and in regional programming.

37. In Asia and the Pacific, the two well-established SURFs in Bangkok and Kathmandu (which had replaced the Islamabad office) were transformed to two regional service centres in Bangkok and Colombo. Their responsibilities were divided by practice and thematic areas, but this was found to hamper cross-practice work and cross-fertilization within the region and detracted from cost-effective delivery of services. The Colombo regional service centre was eventually closed in June 2010 and all its units relocated to Bangkok. There is also a dedicated subregional centre for the Pacific in Fiji. Currently, the regional service centre in Asia is the only one that is located in the same city as the United Nations regional commission for the region (Economic and Social Commission for Asia and the Pacific).

38. The evolution of the Bratislava regional centre was marked by the merger of the SURF with the management of the regional programme, both of which had been co-located in Bratislava. The regional programme is implemented directly from the centre except for a few subregional projects implemented from the regional bureau in headquarters.

39. In Africa, building on the existing SURFs regional service centres in Johannesburg and Dakar was established in 2007. In Latin America, the Panama SURF was transformed to a regional service centre in Panama and a sub-centre in Port of Spain in 2008. Most United Nations agencies working in the region have an office in Panama although the Economic Commission for Latin America and the Caribbean is located in Santiago, Chile. In the Arab States, a regional service centre was set up in Cairo following the closure of the SURF in Beirut in 2008. Since the Cairo regional service centre is relatively new, its staffing is not complete.

40. The regional service centres continued to work closely with headquarters-based policy and management bureaux. BDP supported the practice architecture in the regional service centres and Global Environment Facility (GEF) advisers were also integrated into regional service centres. BCPR has deployed crisis prevention and recovery teams of technical experts to the regional service centres. The Special Unit on South-South Cooperation has posted two advisers in Bangkok and Johannesburg.

41. The current strategic plan called for UNDP "to bring corporate and regional policy and advisory support closer to where they are needed on the ground, and to make those services more responsive to country programme needs" (see DP/2007/43Rev.1). In 2008, the Administrator sent an internal communication attaching a paper entitled "Functional alignment of and implementation arrangements for regional service centres", which brought together existing experience and provided a framework for further reform. The document addressed the scope, standard functions, core structure, accountabilities and funding of regional service centres which were to support United Nations coordination results, development results, and management results.

42. The Administrator underlined that UNDP would remain a two-tier organization. The paper on functional alignment placed the regional service centre firmly within the regional bureau. The specific configuration of each centre would be determined by regional requirements and corporate agreements between the respective regional bureau and the relevant headquarters bureau. The application of the functional alignment document had different implications in different regions. The regional programmes of Asia and the Pacific and Europe and the CIS are solely managed by regional service centres. The regional programmes for Africa, the Arab States and Latin America and the Caribbean are partly managed from headquarters.

43. The position of the head of regional service centres was upgraded to deputy regional director in 2008, thereby creating an additional deputy director position in each bureau. The regional service centre staff members now in principle report to the head of the regional service centre. Practice leaders, however, still remain subject to matrix management with dual reporting to BDP and the head of the regional service centre.

44. Staffing of regional service centres has grown considerably in the past three years. An analysis conducted in 2010 of regional service centre staffing between

2007 and 2009 states that there were 541 professional staff with fixed-term contracts in regional service centres at the end of 2009. No standard service tracker has been implemented for all regional service centres. Although some have developed their own service trackers, they differ in functionality and the type of data that is captured.

45. The funding of the regional service centres has been tackled in different ways over this period. The funds for staffing have come from the UNDP administrative budget and global programme, regional programme and extrabudgetary resources. Different regions have had different combinations of funding. Cost recovery was introduced for the delivery of advisory services, including universal rates for mission costs. The functional alignment document called for a business model that recovered full cost for advisory services, but a market mechanism was not introduced.

III. Findings

Contribution to development results

46. **UNDP has addressed critical cross-border concerns and issues that are common to several countries.** UNDP has successfully advocated and supported regional or subregional solutions to common development challenges. Issues such as human trafficking and environmental challenges often span more than one country. In Central Asia, for instance, climate change has compounded problems of environmental degradation and has led to serious deterioration of ecosystems. In response, UNDP has played a central role in supporting the implementation of a Regional Environmental Action Plan that sought to foster a regional policy dialogue on the environment-poverty nexus and promote effective governance of transboundary natural resources.

47. **The UNDP regional approach has enabled countries to dialogue and cooperate in new areas.** Recent evaluations demonstrate that UNDP has been proactive in raising, at the regional level, development issues, such as corruption, gender equality, HIV/ AIDS and human rights, which would have been difficult, for a range of country-specific reasons, to address in the context of individual country programmes. A case in point is the HIV/AIDS Regional Programme for the Arab States (HARPAS), which raised awareness regarding the role of women in development and highlighting policies and strategies to prevent the spread of HIV/AIDS.

48. **Through its long-term engagement at the country level, UNDP is able to contribute a unique perspective that makes it a desirable partner at the regional level.** The strong UNDP country presence and close collaboration with Governments is an important enabling factor for designing and implementing regional activities. UNDP has been present for decades and has established close working relationships with Governments, civil society and development partners. UNDP has continued to play a pivotal role in coordinating the work of the United Nations system at the country level and has been in a key position to raise the wide range of development issues that are enshrined in the Charter of the United Nations. The role played by the Regional Human Development Reports in addressing

regional development challenges from a people-centred perspective was recognized and praised in most regions.

49. **By focusing on subregions within regional programmes, UNDP has enhanced its relevance.** One strategy to enhance the relevance of regionally based approaches has been to focus on specific subregions with shared concerns, e.g., the small island developing States of the Caribbean and the Pacific. In Europe and the CIS, smaller hubs are also emerging, such as the office established in Almaty with a focus on coordinating the water initiative in Central Asia. The existence of multi-country offices in the Caribbean and Pacific subregions — Barbados, Fiji and Samoa — with responsibilities for both country and regional programmes also added another approach.

50. **The UNDP current arrangements for regional programming are not conducive to responding to cross-regional cooperation.** Regional programmes have not adequately engaged with new groupings of countries dealing with global issues from innovative South-South perspectives such as IBSA (India, Brazil, South Africa) or BRIC (Brazil, Russian Federation, India and China). South-South cooperation between different regions could potentially provide a useful transfer of lessons learned and increase effectiveness of support to the achievement of development results. While some initiatives supported the development of South-South knowledge exchanges, less attention was given to policy dialogue on, and follow-up to, major intergovernmental conferences with an emphasis on mainstreaming South-South cooperation.

51. **The relevance of UNDP regional programmes is constrained by inadequate consultation at the country level and ownership by country offices.** Early regional programmes appear to have been the result of extensive consultations with countries within given regions but later the issue of national ownership was given less priority. Following recommendations of the evaluations of previous RCFs, consultation with regional programme countries has improved in the formulation of regional programmes. Relevance is hampered by limited coordination and synergies between regional programmes and country programmes and a lack of understanding of both national Governments and country offices of how to access or complement regional programmes.

52. **Criteria for when to use regional programming as the appropriate modality to address development issues have not been developed corporately.** While RBAP has introduced "regionality criteria", other bureaux do not use a consistent set of criteria to determine what constitutes a regional approach vis-à-vis a nationally based approach. Certain issues, such as human rights, have been treated mainly by country offices on a national level but could have benefited from a regional approach. Conversely, some issues treated by regional programmes did not necessarily require a regional solution or approach. Intended results at the regional and national levels are constantly mixed and intertwined.

53. **There are many instances where UNDP regional programmes and projects have made significant contributions to regional and subregional cooperation on common issues**. UNDP has advocated for and actively supported regional, subregional or intercountry cooperation initiatives, many of which have yielded demonstrable results. UNDP has, for example, worked with the African Union in supporting the development of its strategic plan. An example of a UNDP contribution to the achievement of shared results includes the drafting of the Nile

River Basin Cooperative Framework in the Arab Region, which was supported through the financing of technical studies and the facilitation of the subsequent intergovernmental dialogue.

54. **The Regional Human Development Reports (HDR) have contributed to an increased awareness of development issues with a people-centred perspective in the different regions.** For example, the evaluation of the Arab States RCF (2006-2007) found that the Arab Human Development Report played an important advocacy and awareness role in the region. Subregional HDRs also addressed two critical development challenges, namely, citizens' security in Central America and youth and employment in Mercosur (Common Market of the South). There is still room for improvement in how UNDP utilizes the conceptual framework developed by regional HDRs to strengthen the contributions of the regional programmes.

55. **Although UNDP has effectively used a regional approach to address common issues that countries face, the comparative advantage of addressing national issues through regional initiatives is often not obvious.** Many regional programmes and projects address issues that are of common concern to some or most programme countries within a given region. As a consequence, many development results defined at the regional level are very similar to those defined at the national level. There are numerous examples of how regional programmes and the support of regionally based policy advisers have contributed to the achievement of development results at the national level. In many cases, however, it is not clear whether such support through regional delivery modalities and funding has an advantage compared with country-specific approaches, or is simply an additional mechanism through which support can be provided to the programme country.

56. **National ownership is critical to the effectiveness and sustainability of multi-country initiatives and has been weak in UNDP regional programmes.** UNDP efforts to assuring government ownership of regional projects vary significantly. While in some instances a lot of time and energy is put into consultation processes, in other cases the consultation is limited. For example, although natural disaster preparedness has been identified as a key issue in Europe and the CIS, the regional project carried out in Kyrgyzstan, Tajikistan and Uzbekistan failed to incorporate or to build upon existing disaster risk reduction efforts at the country level.

57. **UNDP regional work and presence has had a limited impact on strengthening South-South cooperation.** There are a few good examples of South-South cooperation within regional programmes. The regional programme on water governance in the Arab States contains a strong South-South cooperation element on transfer of expertise and capacity development. While there are initiatives with a proven track record of sustained support, contributions have mainly consisted in workshops, exchanges and networks created.

Contribution to corporate results

58. **In a situation where not all country offices can be strengthened, provision of technical support services from regional service centres has proved to be a relevant and appropriate option.** The regional support arrangement has several obvious advantages including geographical proximity to country offices, lower transport costs when compared to headquarters, same time zone and language. In the

case of the longer-established Bratislava and Bangkok regional service centres, the stream of benefits is significant. The regional advisers spend considerable time assisting country offices, either in quality assuring project documents, identifying regional experts, or supporting resource mobilization. The overall satisfaction of country offices with the technical support provided by the regional service centres is quite high. UNDP work was particularly recognized in the area of environment and sustainable development, which may be attributed to the prevalence of GEF-funded expertise at the regional level.

59. **While demand for services is increasing, there is limited capacity to respond to this need, even from regional service centres that are fully staffed.** Structural weaknesses arise from staff doing what they are not suited for, uneven distribution of work between advisers, high staff turnover, and consequently uneven quality of support. As an alternative, regional service centres have established rosters of regional consultants to respond to demands from countries, which have facilitated the exchange of technical expertise. In some cases the consultants have experience in working with UNDP and can bring the human development perspective, but that was more the exception than the rule. Good quality support services are in high demand, particularly from country offices with limited capacity. With an unmet demand and limited resources the situation is unsustainable.

60. **The establishment of regional service centres has contributed to an improvement in cross-practice collaboration although there are institutional constraints that limit cooperation across practice areas.** UNDP evaluations, at the country, regional and global levels, have continually highlighted the challenges faced in overcoming sector-specific biases. In order to overcome a tendency to work in practice silos, the regional service centres put in place measures that included the co-location of practice or thematic units, the development of joint workplans, the establishment of shared knowledge management units and joint missions to country offices. However, in many cases, poor cross-practice collaboration can be attributed to weak institutional arrangements and incentives, and implementation mechanisms that do not facilitate interaction and coordination.

61. **Knowledge management has improved as a result of the regional work and presence of UNDP, but it does not take full advantage of interregional or corporate knowledge-sharing potential.** Regional service centres have become more proactive in their approach to collecting, codifying and sharing knowledge by testing the "market" among various stakeholders. Despite efforts to generate, codify and disseminate knowledge, many country offices looked to the regional service centres to provide more information about what comprised best practice in other country offices, other regions, and other United Nations agencies. Knowledge management has increased within the regions but not in all cases among regions and with headquarters.

62. **Collaboration among members of the United Nations system takes place mainly at the regional project level, but not sufficiently at the UNDAF level.** A review of randomly selected UNDAFs across all five regions reveals that cross-border or multi-country issues are very rarely addressed. The UNDAF for Egypt, for example, addresses a cross-border issue only once, when relating to transboundary dialogue and regional cooperation on management of shared resources. Similarly, the UNDAF for the United Republic of Tanzania has only one citation of regional

needs, with an objective to enhance national capacity to participate in regional trade negotiations.

63. **UNDP regional presence contributes to some extent to United Nations coordination at the level of the regional directors teams.** One of the explicit functions of the regional service centres is to support the **regional directors teams.** Having a deputy regional director heading the regional service centre at the same grade level with regional directors of other United Nations agencies facilitates sustained dialogue. United Nations working groups have been put in place in the regions to address regional challenges such as social protection for the poor, disaster preparedness, violence against women, nutrition and food security or poverty reduction and the achievement of the MDGs. The regional service centres provide support to the UNDAF process and the appraisal of resident coordinators. However, they have limited capacity to support the **regional directors teams**.

64. **Coordination is affected by the fact that the regional service centres are not always co-located with other United Nations agencies' regional service centres.** UNDP has not put in place mechanisms to address this situation, which is often beyond its control. Regional directors of other United Nations agencies were of the opinion that the presence of UNDP regional directors in New York limited the functioning of the **regional directors teams** which they chair. In the case of Asia and the Pacific this also contributed to the difficulties in resolving the overlaps and competition in the division of work between the **regional directors teams** and the regional coordination mechanism. In other regions coordination was reported to be more fluid and the support and collaboration received from UNDP deputy regional directors was recognized.

65. **UNDP has built partnerships in all regions.** A key component of the ASEAN-UNDP partnership has been assisting new member countries in their development and regional integration efforts with a goal of reducing the disparities between Cambodia, the Lao People's Democratic Republic, Myanmar, Viet Nam and the other ASEAN member countries. The partnership with the African Union in addressing transboundary problems requiring joint action has yielded positive results, such as increased ratification of human rights instruments by African States, the establishment of an observatory for women's rights and support to several governance programmes. The Regional Bureau for Arab States regional programme created partnerships with Governments, non-governmental organizations, and academic and policy institutions.

66. **The potential for mobilizing resources at the regional level has not been fully tapped in some regions.** Overall, the ratio of UNDP regular to other resources is 1:6, whereas for the regional programmes in 2009 it ranged from 1:1 to 1:3. Resource mobilization has become even more imperative when regular resources are being used for staffing of regional service centres. There is significant scope for resource mobilization for regional cooperation. Funding of regional activities can be an interesting alternative for donors to stay engaged in a region. Despite the potential for a good match, such relationships have not systematically materialized in all regions.

67. **The UNDP growing regional presence and knowledge of development in the regions has not been leveraged to shape corporate positioning.** The regional service centres do not consistently prioritize the codification of lessons learned and knowledge from the regions for corporate policy use. In the absence of filtering the

knowledge to headquarters, a need has risen for alternative arrangements for headquarters policy and strategy formulation. This limits the contribution that the regional service centres can make to interregional knowledge management and to corporate positioning.

Efficiency

68. **Effective management of the regional programmes is constrained by the lack of clarity over regional programming and inadequate information on resources and results.** The programming guidelines of UNDP, while very detailed for country programmes, are quite general when it comes to regional programmes. The current guidelines highlight differences with country programming and do not address the specificity of regional programming, including the consultation process, regionality criteria, management arrangements and review process. Results-oriented annual reports were introduced for regional programmes only relatively recently and are also divided among the various implementing units. Financial information concerning regional programmes is not easily obtainable from Atlas or other corporate sources.

69. **Some UNDP regional programmes have proved to be efficient conduits for delivering regional public goods and ensuring collaboration on cross-border and shared issues; however, lack of funding and coordination and poor implementation have lowered overall efficiency.** In a number of instances, the regional programme modality appears to have resulted in the efficient delivery of activities, particularly where economies of scale could be achieved within a subregion. Initiatives in both the Pacific and Central Asian subregions were able to provide technical backstopping services to widely dispersed project sites more efficiently than a country-specific approach would have permitted. The efficiency of regional programmes is often hampered by long delays in releasing funds to beneficiaries, spreading the portfolio thinly, and monitoring poorly.

70. **The regional service centres are at different developmental stages, with varying capacities and levels of efficiency.** There are challenges in measuring the cost-effectiveness of the regional service centres because there were no clear baselines or benchmarks established for regional level outputs. Operationally, shared services with regional service centres and UNDP country offices in several locations like Bangkok and Bratislava worked well and are now being tested in Dakar. The efficiency of the regional service centres is affected by combining the responsibilities of project management and advisory support as the skills required differ.

71. **Cost recovery for advisory services has not been efficiently implemented.** The functional alignment document states that a cost-recovery mechanism should be introduced for the services provided by the regional service centres but a market mechanism has not been uniformly introduced. The Bratislava regional service centre has demonstrated leadership in cost-recovery strategies. Even with proper tracking of demand, the allocation of the services may not be the most efficient and appropriate. A move towards cost recovery will need to establish a safety network for country offices with limited budgets.

72. **UNDP has not streamlined organization-wide functions and resources to adjust to the creation of regional service centres.** With some minor reallocations,

UNDP has largely undertaken the process of establishing regional service centres without dismantling or reducing existing structures at headquarters, even though staffing in some units may have decreased. Consequently, there is some duplication of functions between the headquarters, regional service centres, and country offices. Additionally, country offices simultaneously request and solicit support from several units at headquarters. There is evidence that the division of labour between the regional bureaux and the policy units at headquarters that provide support to country offices has not been streamlined to avoid redundancy.

73. **There have been gaps in corporate guidance, including the functional alignment document, resulting in an inability to establish a core common set of principles for regional presence and corporate tools while allowing for adaptation to different regional contexts.** There have been different approaches to implementing institutional arrangements in the regions and among corporate bureaux with some notable successes. The delineation of oversight and support functions between the regional service centres and headquarters regional bureaux has not been the same in all regions. In the absence of clear guidance and cooperation, regional service centres have invested, and there is a danger that they will continue to invest, in the development of tools, such as the service trackers used by three of the regional service centres.

IV. Conclusions

Conclusion 1: Despite modest resources, UNDP regional programmes have made significant and long-standing contributions to development results, promoting cooperation among countries in building regional and national institutions as well as addressing cross-border and common challenges.

74. Regional programmes provide support to development on a wide range of issues across entire regions with resources that represent less than 7 per cent of total UNDP regular resources in 2008-2009. UNDP has developed long-standing relations with key regional institutions, for example with ASEAN, the Caribbean Community, the League of Arab States and NEPAD. The provision of nearly 40 regional Human Development Reports is an area where they have significantly changed the development debate in key areas. Where countries have shared common problems, UNDP regional programmes have brought them together to learn from each other, often developing networks along the way. In such cases, the results from the regional approach are therefore greater than the sum of the results from separate national interventions.

Conclusion 2: In all regions, the contribution to results has been affected by fragmentation of regional programmes, insufficient linkages with national programmes and time frames that have not taken into account the need for long-term capacity development.

75. Although there are many cases of success, interventions within regional programmes are often thinly spread, poorly coordinated, and occasionally duplicative. Planning cycles for the regional programmes are inevitably different from many country programmes, often making integration difficult. There are cases where regional programmes finance single-country interventions with no significance for other countries. Some multi-country projects have failed to provide adequate additionality to a group of national interventions in terms of networking

and knowledge-sharing. Results matrixes and monitoring were generally weak, often reflecting a lack of focus.

Conclusion 3: While consultation on regional programming with partner countries and organizations does take place, the absence of a systematic framework for gauging demand and identifying opportunities constrains innovation and relevance.

76. The level of consultation has been ad hoc and has varied in intensity and scope over time and also between regions. Regional programming tends to be supply driven, not always adapting UNDP corporate priorities to specific regional realities and challenges. Moreover, while there are good examples of broad consultative processes that include country offices, Governments and intergovernmental organizations, consultation with civil society at the regional level has been more challenging. Poor consultation mechanisms reduce the relevance of what UNDP does and have led to missed opportunities for regional interventions, especially in innovative areas where only such broad consultation will reveal new needs and challenges.

Conclusion 4: UNDP has not been able to adapt its own programming and partnership strategies to further facilitate identification of development solutions across regions.

77. Today, countries are coming together across regions, but UNDP has continued to focus on supporting cooperation among countries in the geographical framework of UNDP regions. Knowledge at the regional level does not have a sufficient impact at the global level nor does it adequately transfer between UNDP-defined regions. Beyond knowledge management, opportunities have been missed for interregional programmatic interventions, addressing both common challenges and cross-border issues between neighbouring countries that happen to fall within different UNDP regions.

Conclusion 5: The regional service centres provide a useful space to anchor regional activities and provide technical support to country offices.

78. The centres are appropriately located within the regional bureaux and have often played an important role in supporting UNDP practice architecture and facilitating more holistic cross-practice approaches. There are also many advantages in supplying technical support to country offices from regional service centres compared to headquarters, including proximity, language and time zone. Having the regional service centre led by a deputy regional director has increased the visibility of the organization, increased the potential for stronger relationships with United Nations partners and regional institutions, and provided better opportunities for strengthening UNDP positioning within a region. However, the investment in the establishment of the regional service centres has been high and has not been accompanied by a significant cost reduction at headquarters. UNDP has not streamlined organization-wide functions and resources to adjust to the creation of the regional service centres. At the same time, UNDP has been unable to draw sufficiently on regional knowledge and experiences for corporate positioning. There needs to be greater clarity and consistency with respect to management tools.

Conclusion 6: UNDP has yet to develop an explicit, holistic and strategic business model that addresses critical capacity in country offices, the provision of supplementary technical support to country offices, management of the regional programme, support to United Nations coordination at the regional level, and rooting corporate positioning in regional knowledge.

79. The UNDP approach to contributing to development and corporate results at the regional level needs to be set within the broader context of an organization-wide business model. The multiple sources of funding, including the use of programme resources from the global and regional programmes for internal capacity, and the continued duplication of functions at different organizational levels (regional bureaux, regional service centres, BDP and BCPR) reveal the lack of a transparent and sustainable corporate business model. Only through re-examining the UNDP fundamental principles and overall strategy in a rapidly changing global environment can UNDP identify the most appropriate role of regional level actions.

V. Recommendations

Recommendation 1: UNDP should establish "regionality" criteria for regional programming in consultation with Governments, building on existing good practice, to determine when a regional approach is appropriate.

80. Regionality criteria would flow from an assessment of what works and what does not, when using a regional or subregional approach, the identification of when such an approach adds value, and an analysis of why and how countries cooperate. Discussion concerning the development of these criteria should be broad and involve partner Governments in programme and donor countries. A clear understanding of when the regional approach should or should not be used could be key to UNDP positioning in resource-constrained situations.

Recommendation 2: UNDP should establish a cost-effective framework for broader and deeper partnership that will facilitate systematic consultation to ensure UNDP continued relevance at the regional and interregional levels.

81. The broad partnerships to be covered by the framework would include relevant regional organizations, national Governments and civil society and the United Nations system, especially the regional commissions. The framework and subsequent consultations would ensure that UNDP is appropriately positioned in the regional space to add development value and able to identify opportunities for further regional and interregional cooperation.

Recommendation 3: UNDP should foster a corporate culture that encourages interregional lesson learning and programmatic collaboration and that ensures the use of regionally grounded knowledge across the organization.

82. UNDP-defined regions should not become silos with regard to programmes and knowledge-sharing. Countries sharing common problems and cross-border issues are not always in the same region and in such cases UNDP needs to facilitate interregional cooperation. Interregional knowledge-sharing needs to be promoted through the use of appropriate corporate incentives that would strengthen UNDP global knowledge management efforts. Incentives also need to be developed to promote the use of regional knowledge and experiences in UNDP corporate strategic planning, advocacy work and policy advice.

Recommendation 4: To increase effectiveness and develop capacity, UNDP should base the management of regional programmes and projects in an appropriate location in the region or subregion.

83. The five regional programmes should be managed by the regional service centre where they can benefit from regional dynamics and leverage regional capacity. Regional projects should be located close to the beneficiaries, where they will be able to better respond to changing contexts and better utilize regional capacities. Where possible, this should be with regional institutions with the host country resident representative serving as principal project representative. In cases where projects are located with the regional service centre, they should have dedicated project management capacity.

Recommendation 5: UNDP should maximize the use of regular resources allocated for regional programmes for interventions that contribute directly to development results and minimize their use for internal corporate results.

84. Regular resources should be used for adding direct development value by allocation to regional projects or to policy advice that makes a clear and demonstrable contribution to development results. The use of regular resources to finance support to the project management function of country offices should be minimized. Technical support to country offices to carry out these day-to-day functions should be financed from the management budget, possibly through further decentralization of support capacity from headquarters to regional service centres and, where appropriate, from regional service centres to country offices.

Recommendation 6: UNDP should retain the system of regional service centres under the purview of the regional bureaux.

85. While the staffing composition and portfolio of activities and services may vary according to regional context and demands, efforts are required to standardize management tools and approaches, including those related to monitoring the contribution, relevance and efficiency of the regional service centre arrangement. The centres need to strengthen their networking and ensure that they benefit from, and contribute to, global knowledge. The regional service centres should be headed by at least a deputy regional director. The residual practice of having dual reporting lines, including for practice leaders, in regional service centres should cease. All staff should have a single reporting line within the regional service centre, while at the same time be accountable for linking and contributing to global knowledge.

Recommendation 7: UNDP should develop a strategic corporate business model that covers global, regional and country levels; provides a sustainable and transparent allocation of funds and human resources; ensures that functions and services are not duplicated; and facilitates the location of capacity in the most appropriate place.

86. UNDP should recognize that in order to strengthen the results from its regional work and presence, it cannot look only at regional programming and institutional arrangements. The business model, therefore, needs to be holistic, treating the programming and institutional structures within the organization as a whole, and at all levels. It should recognize the interlinkages between country, regional and global programming and results. It should give priority to establishing critical country office capacity which should be identified and put in place. In developing the model for supplementary technical support to country offices, UNDP can draw on

approaches that have worked including that of GEF, which finances dedicated technical expertise in the region that also contributes to corporate initiatives. The model should enhance cross-practice and cross-regional approaches to human development and United Nations partnerships at the country and regional levels. The UNDP business model must also protect, and expand to the extent possible, the funding for regional programmes so that they can maintain and augment their contribution to development results and step up to emerging challenges.